

# **Fiscal Note**



Fiscal Services Division

<u>HF 2118</u> – Automated Traffic Law Enforcement Ban (LSB5244HV) Analyst: Michael Guanci (515.729.7755) <u>michael.guanci@legis.iowa.gov</u> Fiscal Note Version – Revised (fiscal impact)

# **Description**

House File 2118 prohibits the use of automated traffic enforcement (ATE) devices by State and local authorities. This Bill requires the removal of all existing ATE devices by July 1, 2018.

## **Background**

As of January 2018, eight cities operate 78 speeding and red light ATE devices. The State does not operate any ATE devices on the primary road system.

In January 2014, the Department of Transportation (DOT) adopted an administrative rule that regulated the use of ATE devices on the primary road system. In March 2015, the Department ordered nine traffic cameras on the primary road system to be removed. Of the nine ordered removed, seven remained in use pending rulings on several lawsuits filed by cities against the DOT. The ATE devices operating on secondary or city roads are not impacted by the DOT's existing administrative rules.

In April 2017, the Iowa district court for Polk County ruled that the DOT had the authority to regulate ATE devices on the primary road system. The ruling was upheld in June 2017 by the Iowa Supreme Court. By May 2017, the cities of Cedar Rapids, Des Moines, and Muscatine ceased issuing violations from ATE devices on the primary road system. Automated traffic enforcement devices operating on secondary or city roads were not impacted by the court ruling and are still operating per the local authorities' discretion.

Polk County declined to renew its vendor contract for ATE devices, and ceased issuing violations from its two mobile units in December 2017.

Under Iowa Code section <u>8A.504</u>, the Department of Administrative Services (DAS) operates the Iowa Offset Program which can withhold certain State payments on behalf of Iocal authorities to individuals and companies that do not pay their ATE violations. DAS charges \$7 per violation collected to offset the costs of administering the Program. Fees are deposited into the DAS general operating budget. The cities of Council Bluffs, Des Moines, Davenport, Fort Dodge, Muscatine, and Windsor Heights participated in the Program in FY 2017. Cedar Rapids has a signed agreement with the Iowa Offset Program; however, as of January 2018, the city has not submitted any unpaid violations for collection.

#### **Assumptions**

All existing ATE devices will cease operation on or before July 1, 2018. **Table 1** provides data on the number of ATE devices, base cost per violation, vendor's share, and share of local authorities' revenues.

**TABLE 1** 

Estimated Violations and Revenues from ATE Devices (As of Jan. 26, 2018)								
Local Authority	Fiscal Year	Number of Operating ATEs	Number of Violations Issued	Number of Violations Collected	Base Cost per Violation*		Vendor Revenue	Local Authority Revenue**
Cedar Rapids	FY 2017	28	124,346	66,405	\$ 75	\$	2,095,213	\$ 4,029,318
Council Bluffs	FY 2017	12	18,869	12,367	100		507,047	732,170
Davenport	CY 2017	14	39,807	22,785	65		478,485	1,002,540
Des Moines	FY 2017	8	77,146	76,811	65		1,852,576	3,140,062
Fort Dodge	FY 2017	2	7,169	5,776	75		165,403	274,517
Muscatine	FY 2017	9	11,012	9,430	75		254,610	586,066
Polk County	FY 2016	2	6,888	6,780	65		198,560	282,192
Sioux City	FY 2017	2	18,932	21,001	100		648,075	1,427,745
Windsor Heights	FY 2017	3	22,273	16,627	65		268,345	526,989
Totals		80	326,442	237,982		\$	6,468,314	\$12,001,599

<sup>\*</sup> Lowest violation amount. Actual violation amounts may increase depending on miles over the legal speed limit.

Source: Local authorities

Fees paid to DAS for unpaid ATE device violations will cease over time as local authorities collect a decreasing number of unpaid violations.

## **Fiscal Impact**

It is estimated that <u>HF 2118</u> will reduce revenue to the DAS by approximately \$75,000 in FY 2019. It is not known how much in fees for outstanding violations may be collected in FY 2020.

The Bill will decrease revenue to local authorities by an estimated \$12.0 million per fiscal year. Refer to the totals in **Table 1** for revenue decreases per local authority. **Table 2** provides data on which local funds would be impacted.

TABLE 2

Local Funds Receiving ATE Revenues				
Authority	Fund Impacted			
Cedar Rapids	General Fund			
Council Bluffs	General Fund			
Davenport	General Fund			
Des Moines	Police Operating Expenses			
Fort Dodge	Salary Expenses for Police Dept.			
Muscatine	Police Dept.			
Polk County	Public Safety Fund			
Sioux City	Public Safety Projects			
Windsor Heights	General Fund & Police Dept.			

# **Sources**

Cedar Rapids City Manager's Office Council Bluffs Public Works Davenport Police Department Des Moines Government Relations Fort Dodge Police Department Muscatine Finance Department Polk County Sheriff's Department Sioux City Police Department Windsor Heights Police Department Iowa Department of Transportation Department of Administrative Services

/s/ Holly M. Lyons

<sup>\*\*</sup> Collected revenue may include fine moneys collected through the Iowa Offset Program for violations issued in prior years.

The fiscal note for this Bill was prepared pursuant to Joint Rule 17 and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.